

**UNITED STATES DISTRICT COURT  
FOR THE NORTHERN DISTRICT OF OHIO  
EASTERN DIVISION**

**IN RE NATIONAL PRESCRIPTION  
OPIATE LITIGATION**

This document relates to:

*County of Summit, Ohio, et al. v. Purdue Pharma L.P., et al.*  
Case No. 18-op-45090 (N.D. Ohio)

*The County of Cuyahoga, Ohio, et al. v.  
Purdue Pharma L.P., et al.,*  
Case No. 17-op-45004 (N.D. Ohio)

MDL No. 2804

Case No. 17-md-2804

Judge Dan Aaron Polster

**DECLARATION OF TARA A. FUMERTON  
IN SUPPORT OF MOTION FOR SUMMARY JUDGMENT BASED ON THE  
STATUTE OF LIMITATIONS FOR WALMART INC.**

I, Tara A. Fumerton, declare as follows:

1. I am a partner at the law firm of Jones Day and counsel for Defendant Walmart Inc. ("Walmart") in the above-captioned case.

2. I make this declaration on behalf of Walmart in support of the Pharmacy Defendants' motion for summary judgment based on the statute of limitations.

3. I have personal knowledge of the facts stated herein and, if called as a witness, could and would competently testify thereto.

4. Attached as Exhibit A. is a true and correct copy of excerpts from the transcript of the individual deposition of Miranda Johnson, which was held on December 12, 2018 in the above-captioned case.

5. Attached as Exhibit B. is a true and correct copy of Walmart's State of Ohio Board of Pharmacy Distributor of Controlled Substances license, expiration date June 30, 2017,

which was produced by Walmart in the above-captioned case and assigned Bates number WMT\_MDL\_000055644.

6. Attached as Exhibit C, is a true and correct copy of Walmart's State of Ohio Board of Pharmacy Distributor of Controlled Substances license, expiration date June 30, 2013, which was produced by Walmart in the above-captioned case and assigned Bates number WMT\_MDL\_000043217.

7. Attached as Exhibit D, is a true and correct copy of Walmart's State of Ohio Board of Pharmacy Distributor of Controlled Substances license, expiration date June 30, 2010, which was produced by Walmart in the above-captioned case and assigned Bates number WMT\_MDL\_000043226.

8. Attached as Exhibit E, is a true and correct copy of Walmart's State of Ohio Board of Pharmacy Distributor of Controlled Substances license, expiration date June 30, 2009, which was produced by Walmart in the above-captioned case and assigned Bates number WMT\_MDL\_000043223.

9. Attached as Exhibit F, is a true and correct copy of Walmart's State of Ohio Board of Pharmacy Distributor of Controlled Substances license, expiration date June 30, 2009, which was produced by Walmart in the above-captioned case and assigned Bates number WMT\_MDL\_000055660.

10. Attached as Exhibit G, is a true and correct copy of excerpts from Walmart's Form 10-K for the fiscal year ending January 31, 2007, which was obtained from the U.S. Securities and Exchange Commission's website on April 23, 2019,  
<https://www.sec.gov/Archives/edgar/data/104169/000119312507065603/d10k.htm>.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information, and belief.

Executed this 18th day of June, 2019.

/s/ Tara A. Fumerton

Tara A. Fumerton  
JONES DAY  
77 West Wacker  
Chicago, IL 60601  
Phone: (312) 269-4335  
Fax: (312) 782-8585  
E-mail: tfumerton@jonesday.com

*Attorney for Walmart Inc.*

# Exhibit A

1                         UNITED STATES DISTRICT COURT  
2                         FOR THE NORTHERN DISTRICT OF OHIO  
3                         EASTERN DIVISION  
4                 IN RE: NATIONAL                         )    MDL No. 2804  
5                 PRESCRIPTION OPIATE                )  
6                 LITIGATION,                          )    Case No.  
7  )    1:17-MD-2804  
8  )  
9                 THIS DOCUMENT RELATES TO          )    Hon. Dan A.  
10                 ALL CASES                           )    Polster  
11  )  
12     
13     
14     
15   Videotaped Deposition of MIRANDA  
16   JOHNSON, held at 4206 South J.B. Hunt Drive,  
17   Rogers, Arkansas, commencing at 8:51 a.m., on  
18   the above date, before Debra A. Dibble,  
19   Certified Court Reporter, Registered  
20   Diplomate Reporter, Certified Realtime  
21   Captioner, Certified Realtime Reporter and  
22   Notary Public.  
23     
24     
25   

20   GOLKOW LITIGATION SERVICES  
21   877.370.3377 ph | fax 917.591.5672  
22   deps@golkow.com  
23     
24     
25

A 12x12 grid of black bars of varying lengths, representing a sparse matrix. The bars are arranged in a pattern where each row contains several bars of different lengths, indicating non-zero elements in specific columns across multiple rows. The lengths of the bars correspond to the values of the matrix elements.

17 Q. Has your focus moved away from  
18 suspicious order monitoring or is that still  
19 your primary focus?

20 MS. TABACCHI: Object to the  
21 form.

22 THE WITNESS: We no longer  
23 distribute controlled substances as of  
24 April 2018.

25 Q. (BY MR. INNES) And that's

1       probably one of the ground rules I skipped  
2       over. Your answers need to be audible. No  
3       nodding of the head. And we try not to talk  
4       over each other and help our colleague at the  
5       end of the table out.

6                  A.        Okay.

7                  Q.        I'm usually the biggest  
8       offender of talking over people, so know that  
9       from the beginning.

10                 Let's find our place here.

11                 So when did Walmart exit the  
12       distribution of the C-II/C-IIIIs?

13                  A.        C-IIIs was in April of 2018.  
14       And then IIIIs through Vs, I believe that was  
15       complete in May of 2018.

16                 It was a transition, so ...

17                  Q.        And so to be clear, Walmart no  
18       longer distributes; is that correct?

19                  A.        Correct.

20                  Q.        But Walmart does dispense C-IIIs  
21       and C-IIIIs?

22                  A.        Correct.

23                  Q.        Do you have any -- is any part  
24       of your current role, since the exit from the  
25       C-II/C-III market, directed towards

1       suspicious order monitoring of those types of  
2       products?

3                   MS. TABACCHI: Object to the  
4                   form.

5                   THE WITNESS: Can you clarify  
6                   that? What you're asking?

7                   MR. INNES: Sure.

8                   Q. (BY MR. INNES) So Walmart no  
9       longer distributes C-IIIs; correct?

10          A.        Correct.

11          Q.        Walmart no longer distributes  
12       C-IIIs; correct?

13          A.        Correct.

[REDACTED] [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

# Exhibit B

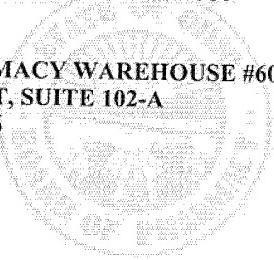
State of Ohio

**STATE BOARD OF PHARMACY**

77 South High Street, 17th Floor; Columbus, Ohio 43215-6126 TEL: 614/466-4143 FAX: 614/752-4836 EML: licensing@pharmacy.ohio.gov  
Be it known that the DISTRIBUTOR OF CONTROLLED SUBSTANCES named below is duly registered, and is entitled to distribute controlled substances in the state of Ohio until the expiration date of JUNE 30, 2017.

**Identification Number: WCSW.2060**

**WAL-MART PHARMACY WAREHOUSE #6045**  
2250 N. 8TH STREET, SUITE 102-A  
ROGERS, AR 72756



SIGN AND KEEP IN A READILY RETRIEVABLE LOCATION AT THIS ADDRESS  
RESPONSIBLE PERSON:

MIRNA BENITEZ OPMGR

**SIGNATURE OF RESPONSIBLE PERSON**

Any change of responsible person must be reported within 30 days on a "Notification of Change of Responsible Person" form. Before change of name, address, or ownership, immediately notify the Licensing Department of the State Board of Pharmacy.

**CLASS: Controlled Substance Wholesaler**  
**BUSINESS TYPE: FS - Full Service**

(KEEP THIS SECTION FOR FUTURE REFERENCE)

**General Information**

A CHANGE in business name, address, ownership (not officers-see next paragraph for officer changes), or category requires RE-APPLICATION & FEE. In the event of an address change, notify the Board of Pharmacy BEFORE moving any dangerous drugs. [Sections 4729.51 and 4729.52, O.R.C.; Rule 4729-9-16. O.A.C.]  
For more information go to: <http://www.pharmacy.ohio.gov/Licensing/WDDD.aspx>, and choose the appropriate application.

In accordance with paragraph (A)(7) of 4729-9-16 (OAC) (effective January 1, 2009), if a wholesale distributor is incorporated, a criminal records check is required every time there is a change in officers. Contact the board office for the fingerprint cards or you can go to <http://www.ohioattorneygeneral.gov/Business/Services-for-Business/Webcheck> to request fingerprint cards BIM-12-98 (BCI) and FD-258 (FBI).

**New Officers:** When adding new officers, submit a written notice to the Board including full name, title, date of birth and last four of social security number for each new officer.

Any change of responsible person must be reported within 30 days, on a "Notification of Change of Responsible Person" form. For more information go to: <http://www.pharmacy.ohio.gov/Licensing/WDDD.aspx>

Notify the Board of Pharmacy in writing 14 days prior to discontinuing business, whether closing or selling. Written notice [Discontinuing Business form is available at the link below] and state license must be mailed (return receipt requested) or hand delivered to the Board office. [Section 4729.62 O.R.C.; Rule 4729-9-07, O.A.C.]

For more information go to: <http://www.pharmacy.ohio.gov/Licensing/WDDD.aspx>

Notify the Board of Pharmacy of any new facilities, work or storage areas to be constructed or utilized for dangerous drugs, or any changes in operation of the registrant before being used or implemented. [Rule 4729-9-16, O.A.C.]

All communications will be done through EMAIL- NOT MAILINGS. Please go to the following webpage to provide the email address that you wish to receive these communications: <https://pharmacy.ohio.gov/UpdateEmailAddress.aspx>

In order to enter your email address in the webpage mentioned above, you will need your login information, which is below.

User ID: 3921528

Password: 783508

Current Email on File: [mirna.benitez@walmart.com](mailto:mirna.benitez@walmart.com)

If you have problems or concerns, please feel free to contact the Board office utilizing the "CONTACT THE BOARD" selection along the left side of the website. Be sure to select "General Licensing Information" as your subject line.

# Exhibit C

State of Ohio  
**STATE BOARD OF PHARMACY**

77 South High Street, Room 1702; Columbus, Ohio 43215-6126 TEL: 614/466-4143 FAX: 614/752-4836 EML: licensing@bop.ohio.gov

**Be it known that the DISTRIBUTOR OF CONTROLLED SUBSTANCES named below has given satisfactory evidence that all statutory requirements (WHOLESALE -- ORC Sections 3719.021 & 3719.03; MANUFACTURER -- ORC Sections 3719.02 & 3719.03) have been met, is duly registered, and is entitled to distribute controlled substances in the state of Ohio until the expiration date of JUNE 30, 2013:**

Identification Number **WCSW . 2060**      **0157**

**RESPONSIBLE PERSON:**  
MICHAEL MULLIN GNMG

**SIGNATURE OF RESPONSIBLE PERSON**

Any change of responsible person must be reported within thirty days on a "Notification of Change of Responsible Person" form.

Before change of name, address, or ownership, immediately notify the Licensing Department of the State Board of Pharmacy.

**CLASS: Controlled Substance Wholesaler**

**SIGN AND KEEP IN A READILY RETRIEVABLE LOCATION AT THIS ADDRESS**

A change in name, address, or ownership requires new application and fee. In the event of an address change, the State Board of Pharmacy must be notified prior to moving any dangerous drugs. [Sections 4729.51 and 4729.52, O.R.C.; Rule 4729-9-16, O.A.C.]

In accordance with paragraph (A)(7) of 4729-9-16 (OAC) (effective January 1, 2009), if a wholesale distributor is incorporated a criminal records check is required every time there is a change in officers. Contact the Board office for the fingerprint cards or you can go to <http://www.ohioattorneygeneral.gov/Services/Business/Webcheck/Webcheck-Community-Listing> to request fingerprint cards BIM-12-98 (BCI) AND FD-258(PBI).

The State Board of Pharmacy shall be notified of any new facilities, work or storage areas to be constructed or utilized for dangerous drugs, or any changes in operation of the registrant before being used or implemented. [Rule 4729-9-16, O.A.C.]

Any change of responsible person must be reported within 30 days on a "Notification of Change of Responsible Person" form. Use form at bottom of this page. Additional forms may be obtained from the State Board of Pharmacy office. [Sections 4729.53(A), O.R.C.]

Notify the State Board of Pharmacy in writing 14 days prior to discontinuing business, whether closing or selling. Written notice (Discontinuing Business form is available from the Board office) and state license must be mailed (return receipt requested) or hand-delivered to the Board office. [Section 4729.62 O.R.C.; Rule 4729-9-07, O.A.C.]

**DO NOT RETURN UNLESS RESPONSIBLE PERSON PRINTED ON ABOVE LICENSE CHANGES  
WHEN USING, DETACH AND RETURN IN PERSON OR BY MAIL-RETURN RECEIPT REQUESTED**

**STATE BOARD OF PHARMACY • 77 South High Street, Room 1702 • Columbus, Ohio 43215-6126 • 614/466-4143**

**CONTROLLED SUBSTANCE DISTRIBUTOR  
NOTIFICATION OF CHANGE OF RESPONSIBLE PERSON**

**Any change of responsible person must be reported within 30 days.**

**-- THIS FORM MUST BE COMPLETED, SIGNED, AND RETURNED BEFORE NOTIFICATION IS OFFICIAL --**

DISTRIBUTOR NAME: **WAL-MART PHARMACY WAREHOUSE #45** IDENTIFICATION NO: **WCSW . 2060**

**STREET ADDRESS:**

Section 4729.53(A) of the Ohio Revised Code requires that "The applicant has designated the name and address of a person to whom communications from the board may be directed and upon whom the notices and citations provided for in section 4729.56 of the Revised Code may be served".

YES       NO      Do you, as the person accepting responsibility by signing this form, have charges pending or have a conviction of a felony or a misdemeanor other than a minor traffic violation (even if expunged or sealed)?

YES       NO      Have you, as the person accepting responsibility by signing this form, ever been the subject of disciplinary action by any state or federal agency?

If YES to either question above, has the explanation of charges already been filed with the Board?

YES       NO      (If NO, explain in detail; listing name(s) and address(es) of the court or government agency and dates such charges were filed, on a separate sheet of paper. If YES, it is not necessary to file again.)

I hereby agree to and do submit to the jurisdiction of the State Board of Pharmacy and to the laws and rules of Ohio for the purpose of the enforcement of Chapter 3719. and Sections 4729.51 to 4729.61 of the Ohio Revised Code.

SIGNATURE of New Responsible Person:

EFFECTIVE DATE:

NAME (please print):

DATE OF BIRTH:

TITLE:

SOCIAL SECURITY NUMBER:

PROFESSIONAL LICENSE NUMBER (if applicable):

# Exhibit D

## State of Ohio

**STATE BOARD OF PHARMACY**

77 South High Street, Room 1702; Columbus, Ohio 43215-6126 TEL: 614/466-4143 FAX: 614/752-4836 EML: licensing@bop.ohio.gov

Be it known that the **DISTRIBUTOR OF CONTROLLED SUBSTANCES** named below has given satisfactory evidence that all statutory requirements (WHOLESALE -- ORC Sections 3719.02 & 3719.03; MANUFACTURER -- ORC Sections 3719.02 & 3719.03) have been met, is duly registered, and is entitled to distribute controlled substances in the state of Ohio until the expiration date of JUNE 30, 2010:

Identification Number **WCSW . 2060**

00115

**RESPONSIBLE PERSON:**  
MICHAEL MULLIN GNMG

**WAL-MART PHARMACY WAREHOUSE #45**  
1201 MOBERLY LANE  
BENTONVILLE AR 72716.

**SIGNATURE OF RESPONSIBLE PERSON**

Any change of responsible person must be reported within thirty days on a "Notification of Change of Responsible Person" form.

Before change of name, address, or ownership, immediately notify the Licensing Department of the State Board of Pharmacy.

CLASS: Controlled Substance Wholesaler

**SIGN AND KEEP IN A READILY RETRIEVABLE LOCATION AT THIS ADDRESS**

A change in name, address, or ownership requires new application and fee. In the event of an address change, the State Board of Pharmacy must be notified prior to moving any dangerous drugs. [Sections 4729.51 and 4729.52, O.R.C.; Rule 4729-9-16, O.A.C.]

The State Board of Pharmacy shall be notified of any new facilities, work or storage areas to be constructed or utilized for dangerous drugs, or any changes in operation of the registrant before being used or implemented. [Rule 4729-9-16, O.A.C.]

Any change of responsible person must be reported within 30 days on a "Notification of Change of Responsible Person" form. Use form at bottom of this page. Additional forms may be obtained from the State Board of Pharmacy office. [Sections 4729.53(A), O.R.C.]

Notify the State Board of Pharmacy in writing 14 days prior to discontinuing business, whether closing or selling. Written notice (Discontinuing Business form is available from the Board office) and state license must be mailed (return receipt requested) or hand-delivered to the Board office. [Section 4729.62 O.R.C.; Rule 4729-9-07, O.A.C.]

**DO NOT RETURN UNLESS RESPONSIBLE PERSON PRINTED ON ABOVE LICENSE CHANGES  
WHEN USING, DETACH AND RETURN IN PERSON OR BY MAIL-RETURN RECEIPT REQUESTED**

**STATE BOARD OF PHARMACY • 77 South High Street, Room 1702 • Columbus, Ohio 43215-6126 • 614/466-4143**

**CONTROLLED SUBSTANCE DISTRIBUTOR  
NOTIFICATION OF CHANGE OF RESPONSIBLE PERSON**

*Any change of responsible person must be reported within 30 days.*

**- THIS FORM MUST BE COMPLETED, SIGNED, AND RETURNED BEFORE NOTIFICATION IS OFFICIAL --**

**DISTRIBUTOR NAME:** WAL-MART PHARMACY WAREHOUSE #45 **IDENTIFICATION NO:** WCSW . 2060

**STREET ADDRESS:**

Section 4729.53(A) of the Ohio Revised Code requires that "The applicant has designated the name and address of a person to whom communications from the board may be directed and upon whom the notices and citations provided for in section 4729.56 of the Revised Code may be served".

YES  NO

Do you, as the person accepting responsibility by signing this form, have charges pending or have a conviction of a felony or a misdemeanor other than a minor traffic violation (even if expunged or sealed)?

YES  NO

Have you, as the person accepting responsibility by signing this form, ever been the subject of disciplinary action by any state or federal agency?

If YES to either question above, has the explanation of charges already been filed with the Board?

YES  NO

(If NO, explain in detail; listing name(s) and address(es) of the court or government agency and dates such charges were filed, on a separate sheet of paper. If YES, it is not necessary to file again.)

I hereby agree to and do submit to the jurisdiction of the State Board of Pharmacy and to the laws and rules of Ohio for the purpose of the enforcement of Chapter 3719. and Sections 4729.51 to 4729.61 of the Ohio Revised Code.

**SIGNATURE of New Responsible Person:** \_\_\_\_\_

NAME (please print): \_\_\_\_\_

TITLE: \_\_\_\_\_

EFFECTIVE DATE: \_\_\_\_\_

DATE OF BIRTH: \_\_\_\_\_

SOCIAL SECURITY NUMBER: \_\_\_\_\_

PROFESSIONAL LICENSE NUMBER (if applicable): \_\_\_\_\_

PHM-0701 (REV 04/08)

# Exhibit E

State of Ohio

**STATE BOARD OF PHARMACY**

77 South High Street, Room 1702; Columbus, Ohio 43215-6126 TEL: 614/466-4143 FAX: 614/752-4836 EML: licensing@bop.state.oh.us

Be it known that the **DISTRIBUTOR OF CONTROLLED SUBSTANCES** named below has given satisfactory evidence that all statutory requirements (WHOLESALE - ORC Sections 3719.021 & 3719.03; MANUFACTURER - ORC Sections 3719.02 & 3719.03) have been met, is duly registered, and is entitled to distribute controlled substances in the state of Ohio until the expiration date of JUNE 30, 2009:

Identification Number WCSW . 2060 0353

RESPONSIBLE PERSON:  
MICHAEL MULLIN GRMG



**SIGNATURE OF RESPONSIBLE PERSON**

Any change of responsible person must be reported within thirty days on a "Notification of Change of Responsible Person" form.  
Before change of name, address, or ownership, immediately notify the Licensing Department of the State Board of Pharmacy.

WAL-MART PHARMACY WAREHOUSE #45  
1201 HOBBERLY LANE  
BENTONVILLE AR 72716

CLASS: Controlled Substance Wholesaler  
SIGN AND KEEP IN A READILY RETRIEVABLE LOCATION AT THIS ADDRESS

# Exhibit F

State of Ohio

**STATE BOARD OF PHARMACY**

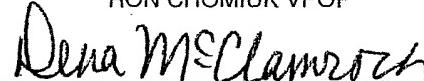
77 South High Street, Room 1702; Columbus, Ohio 43215-6126 TEL: 614/466-4143 FAX: 614/752-4836 EML: licensing@bop.state.oh.us

Be it known that the **DISTRIBUTOR OF CONTROLLED SUBSTANCES** named below has given satisfactory evidence that all statutory requirements (**WHOLESALE -- ORC Sections 3719.021 & 3719.03; MANUFACTURER -- ORC Sections 3719.02 & 3719.03**) have been met, is duly registered, and is entitled to distribute controlled substances in the state of Ohio until the expiration date of JUNE 30, 2009:

Identification Number WCSW . 1494                    0286

**RESPONSIBLE PERSON:**

RON CHOMIUK VPOP



**SIGNATURE OF RESPONSIBLE PERSON**

Any change of responsible person must be reported within thirty days on a "Notification of Change of Responsible Person" form.

Before change of name, address, or ownership, immediately notify the Licensing Department of the State Board of Pharmacy.

**CLASS:** Controlled Substance Wholesaler

**SIGN AND KEEP IN A READILY RETRIEVABLE LOCATION AT THIS ADDRESS**

~~to whom communications from the board may be directed and upon whom the notices and citations provided for in section~~

State of Ohio

**STATE BOARD OF PHARMACY**

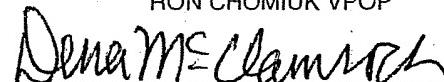
77 South High Street, Room 1702; Columbus, Ohio 43215-6126 TEL: 614/466-4143 FAX: 614/752-4836 EML: licensing@bop.state.oh.us

Be it known that the **WHOLESALE DISTRIBUTOR OF DANGEROUS DRUGS** named below has given satisfactory evidence that all statutory requirements (ORC Sections 4729.52 & 4729.53) have been met, is duly registered, and is entitled to distribute dangerous drugs at wholesale in the state of Ohio until the expiration date of JUNE 30, 2009:

Identification Number WCOR . 010712450    03            00532

**RESPONSIBLE PERSON:**

RON CHOMIUK VPOP



**SIGNATURE OF RESPONSIBLE PERSON**

Any change of responsible person must be reported within thirty days on a "Notification of Change of Responsible Person" form.

Before change of name, address, or ownership, immediately notify the Licensing Department of the State Board of Pharmacy.

**CLASS:** Wholesale DDD - Wholesale W/in Own Corp - Category Three

**SIGN AND KEEP IN A READILY RETRIEVABLE LOCATION AT THIS ADDRESS**

# Exhibit G

10-K 1 d10k.htm FORM 10-K (1/31/2007)

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 10-K**

- Annual report pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934

for the fiscal year ended January 31, 2007,

or

- Transition report pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934

Commission file number 1-6991.



**WAL-MART STORES, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**

(State or other jurisdiction of incorporation or organization)

**71-0415188**

(IRS Employer Identification No.)

**702 S.W. 8th Street**

**Bentonville, Arkansas**

(Address of principal executive offices)

**72716**

(Zip Code)

**Registrant's telephone number, including area code: (479) 273-4000**

Securities registered pursuant to Section 12(b) of the Act:

**Title of each class**

**Common Stock, par value \$0.10 per share**

**Name of each exchange on which registered<sup>(1)</sup>**

**New York Stock Exchange**

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes  No

Sales in discount stores and supercenters, by product category were as follows during the fiscal year ended:

CATEGORY	JANUARY 31, 2007	JANUARY 31, 2006
Grocery, candy and tobacco	31%	30%
Hardgoods	18%	19%
Softgoods and domestics	15%	15%
Electronics	10%	10%
Pharmaceuticals	9%	8%
Health and beauty aids	7%	7%
Sporting goods and toys	5%	5%
Stationery and books	2%	3%
Photo processing	1%	1%
Jewelry	1%	1%
Shoes	1%	1%
	<u>100%</u>	<u>100%</u>

**Operations.** Hours of operation for nearly all supercenters and an increasing number of discount stores and Neighborhood Markets are 24 hours each day. Hours of operation for the remaining supercenters, discount stores and Neighborhood Markets vary by location, but are generally 7:00 a.m. to 10:00 or 11:00 p.m., seven days a week. The retail stores in our Wal-Mart Stores segment generally maintain uniform prices, except where lower prices are necessary to meet local competition. We accept a variety of payment methods including credit cards and a private-label store credit card through a third-party provider. In addition, our pharmacy departments accept payments for prescription drugs through our customers' health benefit plans.

**Seasonal Aspects of Operations.** The Wal-Mart Stores segment's business is seasonal to a certain extent. Generally, its highest volume of sales occurs in the fourth fiscal quarter, which includes the holiday season, and the lowest volume occurs during the first fiscal quarter.

**Competition.** Our discount stores compete with other discount, department, drug, variety and specialty stores and supermarkets, many of which are national or regional chains. Our supercenters compete with other supercenter-type stores, hypermarkets, discount stores, supermarkets, department, drug, variety and specialty stores, many of which are national or regional chains. We also compete with internet-based retailers and catalog business and with other retailers for new store sites.

Our ability to develop the right locations and offer value and service to our customers largely determines our competitive position within the retail industry. We employ many programs designed to meet competitive pressures within our industry. These programs include the following:

- Every day Low Prices ("EDLP") – our pricing philosophy under which we price items at a low price every day so that our customers trust that our prices will not change erratically under frequent promotional activity;
- Rollbacks – our commitment to pass continually internal and external cost savings on to the customer by lowering prices on selected goods;
- Store Within a Store – a program to provide accountability to assistant managers and department managers as to merchandise planning and overall department performance; and
- Store of the Community – a program to ensure that the merchandise assortment in a particular store fits the demographic needs of the local community in which that store is located.

In addition to these programs, we believe our broad assortment of merchandise that provides one-stop shopping, our in-stock levels that provide confidence to our customers that we will have what they need, and our long operating hours that allow customers to shop at their convenience provide us with additional competitive advantages.

**Distribution.** During fiscal 2007, approximately 80% of the Wal-Mart Stores segment's purchases of merchandise were shipped from 121 distribution centers. The balance of merchandise purchased was shipped directly to stores from suppliers. Wal-Mart owns and operates 40 general merchandise distribution centers, 38 grocery distribution centers, seven apparel and

shoes distribution centers, 12 professional services and specialty distribution centers, two import distribution centers and three distribution centers that support walmart.com. Additionally, third-party operators are used in 19 distribution centers of which two are grocery distribution centers, five are specialty distribution centers, four are import distribution centers and eight support walmart.com. The professional services distribution centers ship merchandise such as jewelry, tires, optical, product returns, and pharmaceuticals. General merchandise is transported to stores primarily through our private truck fleet. However, we contract with common carriers to transport the majority of our perishable and dry grocery merchandise.

The 121 distribution centers are located throughout the continental United States. Fourteen distribution centers are located in Texas; eleven in Arkansas; nine in California; eight in Georgia; six in Indiana; five in each of Florida, Illinois, New York, and Pennsylvania; four in each of Ohio and Virginia; three in each of Alabama, Kentucky, Missouri, North Carolina, Tennessee, and Utah; two in each of Arizona, Louisiana, Mississippi, Nevada, Oklahoma, South Carolina, and Wisconsin; and one each in Colorado, Delaware, Iowa, Kansas, Maryland, Maine, Michigan, Nebraska, New Hampshire, New Jersey, New Mexico, Oregon and Washington.

In addition to servicing the Wal-Mart Stores segment, some of our Wal-Mart distribution centers also service our Sam's Club segment for perishable items, jewelry, tires and product returns.

### **Sam's Club Segment**

The Sam's Club segment had net sales of \$41.6 billion, \$39.8 billion and \$37.1 billion for the fiscal years ended January 31, 2007, 2006 and 2005, respectively. During the most recent fiscal year, no single club location accounted for as much as 1% of total Company net sales or net income.

**General.** We operate Sam's Clubs in 48 states. Facility sizes for Sam's Clubs generally range between 72,000 and 190,000 square feet, with the average Sam's Club facility being approximately 132,000 square feet. Sam's Club also provides its members with a broad assortment of merchandise and services online at [www.samsclub.com](http://www.samsclub.com).

**Merchandise.** Sam's Club offers bulk displays of brand name merchandise, including hardgoods, some softgoods, institutional-size grocery items, and selected private-label items under the "MEMBER'S MARK," "BAKERS & CHEFS" and "SAM'S CLUB" brands. Generally, each Sam's Club also carries software, electronics, jewelry, exercise equipment, outdoor goods, tires, office supplies and books. Most clubs have fresh departments, which include bakery, meat, produce, floral and Sam's Cafe. Additionally, a significant number of our clubs offer photo processing, pharmaceuticals, optical departments and gasoline stations.

Sales in the Sam's Club segment, which are subject to seasonal variance, by product category were as follows during the fiscal year ended:

CATEGORY	JANUARY 31, 2007	JANUARY 31, 2006
Sundries	32%	31%
Food	29%	30%
Hardgoods	23%	23%
Service Businesses	11%	11%
Softgoods	5%	5%
	<u>100%</u>	<u>100%</u>

**Operations.** Operating hours for Sam's Clubs are Monday through Friday from 10:00 a.m. to 8:30 p.m., Saturday from 9:30 a.m. to 8:30 p.m. and Sunday from 11:00 a.m. to 6:00 p.m. Additionally, all club locations offer a Gold Key program that permits business members to shop before the regular operating hours Monday through Saturday, starting at 7:00 a.m.

Sam's Clubs are membership-only operations. A variety of payment methods are accepted at our clubs, including MasterCard beginning in fiscal 2007. Additionally, Sam's Club markets private label and Discover accounts that are without recourse to the Company. Members include both small business owners and individual consumers. Individuals who are not business owners can become Advantage members. The annual membership fee for an individual Advantage member is \$40 for the primary membership card, with a spouse card available at no additional cost. The annual membership fee for business members is \$35 for the primary membership card, with a spouse/household card available at no additional cost. In addition, business members can add up to eight business associates (add-ons) to their business account for \$35 each. Businesses can also purchase Advantage memberships for their employees under a Group Membership Program. Group rates are \$30 per group Advantage membership when purchasing 50 - 999 memberships and \$25 per group Advantage membership when purchasing 1,000 or more memberships. Sam's Club PLUS is a premium membership program that offers additional benefits.